

No. 11/23/DPM

Jakarta, August 25, 2009

CIRCULAR LETTER

To
ALL MEMBERS OF
BANK INDONESIA – SCRIPLESS SECURITIES SETTLEMENT SYSTEM
IN INDONESIA

Subject : Amendment to Bank Indonesia Circular Letter Number 10/21/DPM dated May 23, 2008 concerning the Operation of Bank Indonesia - Scripless Securities Settlement System

In the context of improving the organization and membership of BI-SSSS and with regard to the issuance of Bank Indonesia provisions related to Bank Indonesia Deposit Facilities for Sharia Banking (FASBIS), Intraday Liquidity Facility (FLI), Intraday Liquidity Facility for Sharia banking (FLIS), Short-term Financing Facility (FPJP), the issuance of Regulation of the Minister of Finance (PMK) related to State Sharia Securities (SBSN), the Direct Transactions of State Notes and Private Placement Transaction by the Government, the issuance of Decision of the Chairperson of the Capital Market Supervisory Board and Financial Institutions (Bapepam-LK) related to Securities Transactions Reporting, it is necessary to make amendments to Bank Indonesia Circular Letter Number 10/21/DPM dated May 23, 2008 concerning the Operation of Bank Indonesia-Scripless Securities Settlement System as follows :

1. Provision of Item II.E.4 shall be amended so as to read as follows:
 4. Fees

- a) The BI-SSSS fees as intended in numbers 2 and 3 shall be stipulated as set out in Attachment 1. In the event of a change of fees, the Operator shall announce the change intended to the Members through Administrative Messages and/or other facilities.
- b) Bank Indonesia may otherwise determine the imposition of BI-SSSS fees on the Department of Finance or other agencies approved by Bank Indonesia to become a Member.

2. Provision of Item III.B shall be amended so as to read as follows :

B. Requirements for Being a Member

Parties intending to become a Member must fulfill the following requirements:

- 1. Having facilities and infrastructure in accordance with the technical requirements as intended in Attachment 2.
- 2. Based on the types of Members, the candidate Member must fulfill the following requirements :
 - a. It has become a direct member in the BI-RTGS System, in the event that the candidate Member is a Bank;
 - b. It has been approved by Bank Indonesia to become a Sub-Registry, in the event that the candidate Member is a Sub-Registry; and/or
 - c. It has submitted an application to become an SBN Auction Participant/it has been appointed as the Main Dealer/it has been designated to become an SBN Auction Participant, in the event that the candidate Member is a Bank, Securities Company or other agencies allowed to become an SBN Auction Participant.

3. For a candidate Member other than the member of the BI-RTGS System, among other things a Brokerage Company at Rupiah and Foreign Currency Money Market, a Securities Company and/or a Sub-Registry, it/they must appoint a Paying Bank under following conditions:
 - a. The Paying Bank shall be appointed in the context of:
 - 1) imposition of the BI-SSSS fees;
 - 2) Fund Settlement on Securities transactions; and/or
 - 3) acceptance of the payment of coupon (interest) or yield and principal/nominal value of Securities at the maturity date.
 - b. The Paying Bank appointed must give a confirmation of the appointment as the Paying Bank as shown in the sample in Attachment 3 to the Operator through the candidate Members.
 - c. A candidate Member which is a Brokerage Company at Rupiah and Foreign Currency Money Market or a Securities Company must appoint 1 (one) Paying Bank for the imposition of the BI-SSSS fees as intended in letter a number 1).
 - d. A candidate Member which is a Sub-Registry must appoint a Paying Bank under the following conditions:
 - 1) The Candidate Member which is a Sub-Registry must appoint 1 (one) Paying Bank in the context of imposing the BI-SSSS fees, the implementation of Fund Settlement of Securities transactions and acceptance of the payment of coupon (interest) or yield and

principal/nominal value of Securities at the maturity date as intended in letter a.

- 2) The Candidate Member which is a Sub-Registry may appoint 9 (nine) other Paying Banks at the maximum in the context of Fund Settlement of Securities transactions of the client as intended in letter a number 2).
- e. In the event that the Paying Bank is appointed to conduct a Fund Settlement as intended in letter a number 2), the Paying Bank intended shall manage data on Fund Settlement Limit for the appointing Members based on the obligations of the Members as intended in item D.2.d.2).
4. Bank Indonesia may otherwise determine requirements for other agencies approved by Bank Indonesia to become a Member.
3. Provision of Item III.C.5 shall be amended so as to read as follows :
 5. Other Agencies
 - a. Other agencies intending to become a Member and performing the functions as a Member as intended in item A.2 shall submit an application to the Operator at the address as intended in item C.1.a.
 - b. After obtaining the approval from Bank Indonesia, the candidate Members must fulfill the requirements as intended in letter B number 1 and/or the administrative procedures stipulated by the Operator.
 4. Attachment 7 concerning Guidelines on the Organization of Bank Indonesia – Scripless Securities Settlement System shall be amended so as to read as set out in the Attachment which forms an integral part of this Circular Letter.

The provisions of this Circular Letter shall come into effect on August 25, 2009.

For public cognizance, hereby ordering the announcement of this Circular Letter by publishing it in the State Gazette of the Republic of Indonesia.

Please be informed accordingly.

BANK INDONESIA,

HENDAR

DIRECTOR OF MONETARY MANAGEMENT